

## Message Text

UNCLASSIFIED

PAGE 01 THE HA 02474 061553Z

56

ACTION OES-06

INFO OCT-01 AF-08 EUR-12 EA-09 IO-13 ISO-00 PM-04 MC-02

ACDA-10 CIAE-00 INR-07 L-03 NSAE-00 NSC-05 EB-07

NRC-07 FEAE-00 DODE-00 XMB-04 TRSE-00 NSCE-00 INRE-00

PRS-01 PA-02 USIE-00 OMB-01 H-02 COME-00 SSO-00 SS-15

SP-02 /121 W

----- 101673

P 061414Z MAY 76

FM AMEMBASSY THE HAGUE

TO SECSTATE WASHDC PRIORITY 8098

INFO AMEMBASSY BERN

AMEMBASSY BONN

AMEMBASSY LAGOS

AMEMBASSY LONDON

AMEMBASSY PARIS

AMEMBASSY PRETORIA

AMEMBASSY TOKYO

AMCONSUL CAPETOWN

USERDA GERMANTOWN

USMISSION IAEA VIENNA

UNCLAS THE HAGUE 2474

E.O. 11652: NA

TAGS: PARM TECH EIND SF NL

SUBJECT: PROPOSED US-DUTCH-SWISS SALE OF REACTORS TO  
SOUTH AFRICA

REF: (A) THE HAGUE 2430 (B) THE HAGE 2446

FOLLOWING IS SUMMARY OF THIRD ARTICLE (IN A SERIES-SEE  
THE HAGUE 2446) APPEARING IN MAY 6 ISSUE OF INDEPENDENT  
DUTCH DAILY DE VOLKSKRANT HEADLINED "FAST DECISION ON  
NUCLEAR ORDER TO SOUTH AFRICA."

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 THE HA 02474 061553Z

1. THE DEN UYL CABINET WILL VERY SHORTLY DECIDE ON THE

GRANTING OF AN EXPORT CREDIT GUARANTEE TO THE DUTCH COMBINATION PARTICIPATING IN THE CONSTRUCTION OF TWO NUCLEAR ENERGY STATIONS IN SOUTH AFRICA. THE DUTCH SHARE AMOUNTS TO OVER ONE BILLION GUILDERS. (2.68 GUILDERS EQUALS \$1.00) THE LABOR PARTY (PVDA) IN THE SECOND CHAMBER DECIDED YESTERDAY, DUE TO CONFIRMATION OF THE CONTRACT WITH SOUTH AFRICA, TO ORGANIZE AS MUCH OPPOSITION AS POSSIBLE TO THE GRANTING OF THE EXPORT CREDIT GUARANTEE.

2. IT IS NOW CERTAIN THAT WITHIN THE US-DUTCH-SWISS CONSORTIUM THE TASKS HAVE BEEN SHIFTED IN SUCH A WAY THAT, INSTEAD OF RSV (RIJN-SCHELDE-VEROLME), GENERAL ELECTRIC WILL SUPPLY THE REACTOR VESSELS TO SOUTH AFRICA. THIS IMPLIES THAT THE DUTCH GOVERNMENT WON'T HAVE TO GRANT AN EXPORT PERMIT. HOWEVER, THE DUTCH PARTNERS (RSV, COMPRIMO, BREDERO) STILL NEED AN EXPORT CREDIT GUARANTEE. THE DUTCH COMBINATION HAS ASKED FOR AN EXPANSION OF THE EXPORT FINANCING ARRANGEMENT (EFA). AS IT (EFA) NOW STANDS THE DUTCH COMBINATION IS NOT ELIGIBLE FOR IT. NEVERTHELESS, THE DUTCH FIRMS HAVE ASKED THE GOVERNMENT TO CHANGE THE CONDITIONS SO THAT THEY CAN STILL GET THE LOAN AND DO NOT HAVE TO GO DIRECTLY TO A COMMERCIAL BANK WHERE THE INTEREST WOULD BE 1.5 TO 2.0 PERCENT HIGHER.

3. FROM THE BEGINNING THE SOUTH AFRICAN GOVERNMENT HAS PREFERRED THE US-DUTCH-SWISS CONSORTIUM TO THE FRENCH AND GERMAN. NEGOTIATIONS WERE DELAYED BECAUSE THE HAGUE COULD NOT GIVE A GUARANTEE FOR THE GRANTING OF AN EXPORT PERMIT. THIS PROBLEM HAS NOW BEEN SOLVED BY THE CHANGE IN THE DIVISION OF TASKS. FOR THE LOSS OF THIS PART OF THE JOB (70 MILLION GUILDERS) RSV IS TO RECEIVE COMPENSATION FROM GE.

4. THE OFFER BY THE INTERNATIONAL CONSORTIUM IS ESTIMATED TO TOTAL 2.5 BILLION GUILDERS. GE WILL SUPPLY THE NUCLEAR REACTOR (400 MILLION); BROWN-BOVERI THE TURBO GENERATORS (1,200 MILLION); RSV/COMPRIMO (IN WHICH VMF, SHELL, SHV AND CHEMICO PARTICIPATE) ENGINEERING WORK, BUILDING-INSPECTORS, MATERIALS (650 MILLION) AND BREDERO ARCHITECTURAL CONSTRUCTION

UNCLASSIFIED

UNCLASSIFIED

PAGE 03 THE HA 02474 061553Z

(300 MILLION). THE DUTCH CONTRIBUTION WAS ORIGINALLY ESTIMATED TO PROVIDE EMPLOYMENT TOTALING 3,000 MAN-YEARS WHICH IS QUESTIONED BY THE LABOR PARTY.

5. THE RESPECTIVE MINISTERS IN THE DEN UYL CABINET ARE PREPARING THEIR POSITIONS ON THE GRANTING OF AN EXPORT CREDIT GUARANTEE TO THE DUTCH COMBINATION. IT IS EXPECTED THAT A DECISION WILL BE TAKEN DURING ONE

OF THE NEXT CABINET MEETINGS.  
GOULD

UNCLASSIFIED

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PRESS COMMENTS, NUCLEAR AGREEMENTS, PEACEFUL USES OF ATOMIC ENERGY, NUCLEAR REACTORS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 06 MAY 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976THEHA02474  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760175-0322  
**From:** THE HAGUE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1976/newtext/t19760583/aaaactae.tel  
**Line Count:** 117  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION OES  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** 76 THE HAGUE 2430  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** schwenja  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 17 JUN 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <17 JUN 2004 by wolfsd>; APPROVED <16 SEP 2004 by schwenja>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
04 MAY 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** PROPOSED US-DUTCH-SWISS SALE OF REACTORS TO SOUTH AFRICA  
**TAGS:** PARM, TECH, EIND, SF, NL, US, SZ  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006